DELBERT HOSEMANN
Secretary of State

ECONOMIC IMPACT STATEMENT

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. An Agency is encouraged to use as much space as will adequately answer all questions. A PDF version of this executed Form must be filed with any proposed rule, if required by the aforementioned statute.

AGENCY NAME	CONTACT PERSON		TELEPHONE NUMBER
Division of Medicaid	Margaret Wilson		(601) 359-5248
ADDRESS	CITY	STATE	ZIP
550 High Street, Suite 1000	Jackson	MS	39201
EMAIL Margaret.Wilson@medicaid.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Title 23: Medicaid, Part 209: Durable Medical Equipment (DME) and Medical Supplies, Chapter 1: DME, Rule 1.26: Glucose Monitor, Chapter 2: Medical Supplies, Rule 2.1: Medical Supplies, Rule 2.2: Covered Medical Supplies. Non-substantive changes made to Rules 2.3, 2.4, and 2.5.		

Specific Legal Authority Authorizing the promulgation of Rule:	Reference to Rules repealed, amended or suspended by the Proposed Rule:
42 U.S.C. 1395m; Miss. Code Ann. §§ 43-13-117, 43-13-121.	Rules 1.26, 2.1, 2.2. Non-substantive changes made to Rules 2.3, 2.4, and 2.5.

1. Describe the need for the proposed action:
   To maintain glucose levels within the physician's target range for Medicaid beneficiaries with Type I Diabetes Mellitus.
2. Describe the benefits which will likely accrue as the result of the proposed action:
   Medicaid beneficiaries with Type I Diabetes Mellitus will be able to receive immediate feedback on glucose levels and providers will be able to review and recommend treatment when glucose levels are increased or decreased from the physician's target range as displayed/recorded by a CGMS.
3. Describe the effect the proposed action will have on the public health, safety, and welfare:
   Medicaid beneficiaries with Type I Diabetes Mellitus will be able to receive immediate feedback on glucose levels and providers will be able to review and recommend treatment when glucose levels are increased or decreased from the physician's target range as displayed/recorded by a CGMS.
4. Estimate the cost to the agency and to any other state or local government entities, of implementing and enforcing the proposed action, including the estimated amount of paperwork, and any anticipated effect on state or local revenues:
   The prepared cost analysis determined the potential estimate cost of $2,261,012.29 at 5%.
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:
   There is no cost or economic benefit to persons directly affected by the proposed action.
6. Provide an analysis of the impact of the proposed rule on small business: *N/A*
   a. Identify and estimate the number of small businesses subject to the proposed regulation:
   b. Provide the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record:
   c. State the probable effect on impacted small businesses:

d. Describe any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation including the following regulatory flexibility analysis:
   i. The establishment of less stringent compliance or reporting requirements for small businesses;
   ii. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
   iii. The consolidation or simplification of compliance or reporting requirements for small businesses;
   iv. The establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and
   v. The exemption of some or all small businesses from all or any part of the requirements contained in the proposed regulations:

7. Compare the costs and benefits of the proposed rule to the probable costs and benefits of not adopting the proposed rule or significantly amending an existing rule:
   There were 12,474 Medicaid beneficiaries with Type I Diabetes Mellitus meeting the CGMS criteria for state fiscal year (SFY) 14. If the following percentages of the 12,474 beneficiaries were to receive CGMS DME, medical supplies and physician services the estimated cost would be: 1% = $452,202.46, 3% = $1,356,607.38, 5% = $2,261,012.29 and 10% = $4,522,024.58.
8. Determine whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule where reasonable alternative methods exist which are not precluded by law:
   There are no less costly or intrusive methods for achieving the purpose of the proposed rule.
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency:
   There are no other reasonable alternative methods for achieving the purpose of the proposed rule.
10. State reasons for rejecting alternative methods that were described in #9 above: *N/A*
11. Provide a detailed statement of the data and methodology used in making estimates required by this subsection:
    There were 12,474 Medicaid beneficiaries with Type I Diabetes Mellitus meeting the CGMS criteria for state fiscal year (SFY) 14. If the following percentages of the 12,474 beneficiaries were to receive CGMS DME, medical supplies and physician services the estimated cost would be: 1% = $452,202.46, 3% = $1,356,607.38, 5% = $2,261,012.29 and 10% = $4,522,024.58.

SIGNATURE David J. Bjelah	TITLE Executive Director
DATE 5/6/15	PROPOSED EFFECTIVE DATE OF RULE JUL 0 1 2015